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## Thailand

### Rice Price - Weekly

### Weekly Rice Price Update

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**Report Highlights:**

TH0148 Domestic and export prices remained unchanged from the previous week. The government is expected to cancel a 1.5 million ton stock release that was awarded to an export company that is unable to meet the bid's requirements. Meanwhile, the damage from heavy-rain-triggered flooding in major rice growing areas is expected to be marginal.

**Post:**  
Bangkok

## Market Tone

**Table 1: Export Prices (FOB) for various grades of Thai rice (USD/MT), Week ending Oct. 26, 2010**

Quality	Exporter Observations							Period Average	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
F WR									
100 B	1,080	-	1,145	-	1,100	1,055	-	1,095	1,095
WR									
100 B	480	-	510	-	500	510	505	501	501
PB									
100%	520	-	570		550	525	520	537	537
PB 5%	515	-	560	-	545	520	510	530	530
WR									
5%	475	-	495	-	480	490	500	488	488
WR									
10%	465	-	480	-	475	-	-	473	473
WR									
15%	460	-	470	-	-	-	-	465	465
WR									
25%	450	-	460	-	-	465	-	458	458
WR									
35%	-	-	-	-	-	-	-	-	-
A1									
SUP	410	-	440	-	430	430	-	428	428
A1									
SPEC	-	-	-	-	-	-	-	-	-

Exchange rate: 29.7 baht/U.S.\$

Source: Average actual prices received from exporters

Domestic and export prices remained unchanged from the previous week. The government is expected to cancel a 1.5 million ton release of its last stock release of 2.0 million tons, as the sole exporter that was awarded this quantity is only able to export 0.4 – 0.5 million tons within 5-6 months as required under the bid's stipulations. However, the government will retender these 1.5 million tons before the new main-crop becomes available in November. As of October 26, the government has estimated that damage from heavy-rain-triggered flooding in major rice growing areas to be 765,205 rais (122,433 hectares) with an anticipated production loss of 400,000 tons of paddy (264,000 milled equivalent, mostly white rice). Exporters believe that damages will be marginal compared to the anticipated MY2010/11 production of around 30 million tons of paddy.

The weekly benchmark price for white rice for October 25-31 increased by 0.5 percent. As such, farmers will receive lower compensation compared to the previous week. Additionally, farmers that sell their supplies this week will not attain insurance prices, as compensation will fall short due to higher benchmark price over market prices.

**Table 2: Price Insurance Scheme for MY2009/2010 rice crop**

	Rice paddy				
	Fragrant rice (Hommali)	Provincial fragrant rice	Pathum fragrant rice	Glutinous rice	White rice
1. Eligible tonnage (ton/household) <sup>a/</sup>	14	16	25	16	25
2. Insured prices (Baht/ton) <sup>a/</sup>	15,300	14,300	11,000 <sup>d/</sup>	9,500	10,000
3. Benchmark prices (Baht/ton) <sup>b/ c/</sup>					
Sep 27 - Oct 3	-	-	11,335	15,725	8,617
Oct 4-10 <sup>e/</sup>	14,921	14,083	11,418	15,780	8,687
Oct 11-17	14,643	14,013	11,432	15,755	8,551
Oct 18-24	14,530	13,956	11,242	15,732	8,318
Oct 25-31	14,372	13,952	11,212	15,746	8,357
4. Compensation (1-2), (Baht/ton)					
Sep 27 - Oct 3	-	-	-	-	1,383
Oct 4-10	379	217	-	-	1,313
Oct 11-17	657	287	-	-	1,449
Oct 18-24	770	344	-	-	1,682
Oct 25-31	928	348	-	-	1,643
5. Market prices (Baht/ton)					
Sep 27 - Oct 3	15,250	12,750	11,150	17,000	8,600
Oct 4-10	15,250	13,500	11,300	18,000	8,550
Oct 11-17	15,250	13,500	11,300	18,000	8,150
Oct 18-24	15,250	13,500	11,300	18,000	8,100
Oct 25-31 <sup>f/</sup>	15,250	13,500	11,300	18,000	8,000

Note:

<sup>a/</sup> Cabinet approval on  
Sep. 22, 2009<sup>b/</sup> Starting March 8, 2010 the benchmark prices will be published on a weekly basis instead of  
twice a month on the 1st and 16th, based on average historical wholesale prices of last 15 days in  
Bangkok. The prices are set by the Subcommittee on Benchmark Price Determination, chaired by

the Permanent Secretary General of the Ministry of Commerce.

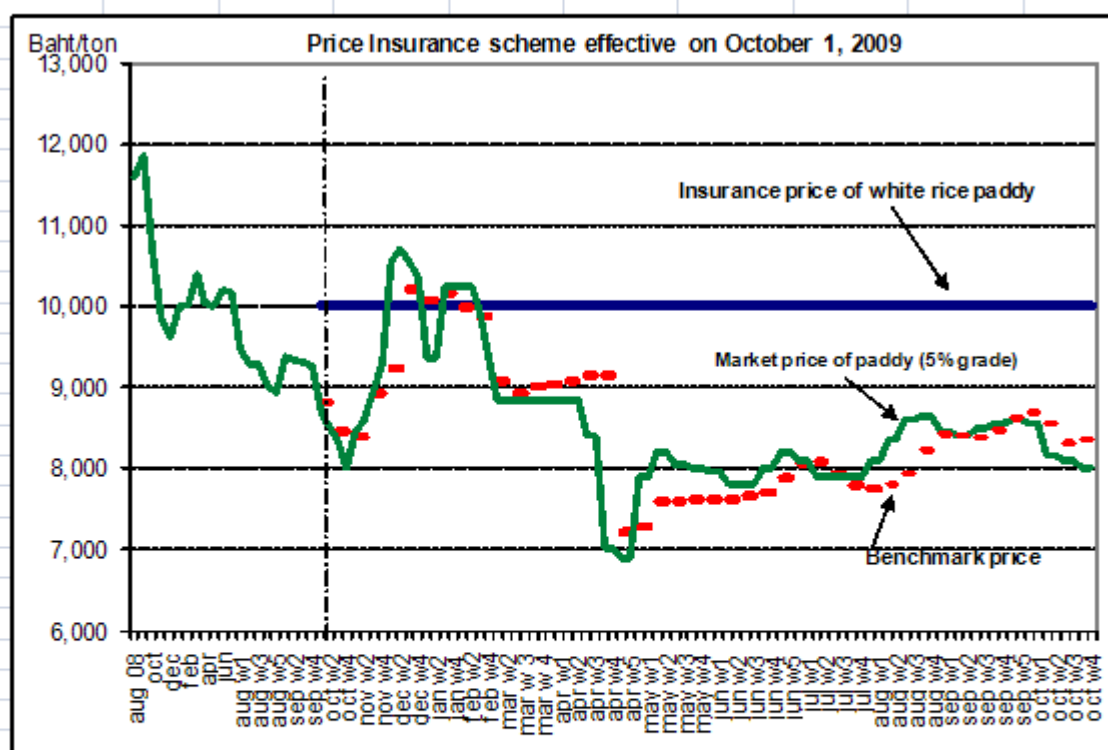
<sup>c/</sup> Starting Apr. 26, 2010 the benchmark prices will be based on average wholesales price of last week in Bangkok.

<sup>d/</sup> The insured prices of MY 2009/10 second-crop Pathum Fragrant rice were revised up from 10,000 tons/MT in MY2009/10 main-crop price insurance scheme, effective Mar. 16, 2010

<sup>e/</sup> The benchmark prices of fragrant rice and Provincial fragrant rice are for MY2010/11 crop.

<sup>f/</sup> As of Oct. 22, 2011

**Figure 1: Comparison of market price, insurance price, and benchmark price**



**Note:** 1/ Benchmark prices are average historical wholesales prices which will be used for the calculation of compensation to farmers. The compensation is based on the difference between insurance prices and benchmark prices.

<sup>a/</sup> Starting March 8, 2010 the benchmark prices will be published on a weekly basis instead of twice a month on the 1st and 16th, based on average historical wholesale prices of last 15 days in Bangkok. The prices are set by the Subcommittee on Benchmark Price Determination, chaired by the Permanent Secretary General of the Ministry of Commerce.

<sup>b/</sup> Starting Apr. 26, 2010 the benchmark prices will be based on average wholesales price of last week in Bangkok.

## Rice Export Update

Unofficial rice exports (excluding fragrant rice) for October 18-24, 2010 totaled 166,295 tons, up 16,217 tons from the previous week, and up 13,359 tons from the four-week moving average of 152,936 tons. Exports of white rice and parboiled rice during January 1 – October 24, 2010 totaled 4,982,106 tons, up 1.6 percent from 4,905,127 tons in the previous year.

According to the Department of Foreign trade, Ministry of Commerce, total rice exports (including fragrant rice) during January 1 – October 19, 2010 amounted to 6,607,981 tons, down 3.9 percent from 6,874,184 tons in the previous year.

**Table 3: Weekly rice exports (excluding fragrant rice)**

WEEK ENDING	QUANTITY	4-WK AVG	YEAR TO DATE	YEAR AGO	YEAR TO DATE AS % OF LAST YEAR
	(MT)	(MT)	(TMT)	(TMT)	(%)
Aug 15	79,644	98,644	3,583	3,696	-3.1
Aug 22	85,682	89,824	3,668	3,823	-4.0
Aug 29	136,724	95,433	3,805	3,960	-3.9
Sep 5	107,793	102,461	3,913	4,063	-3.7
Sep 12	144,218	118,605	4,057	4,197	-3.3
Sep 19	147,715	134,113	4,205	4,336	-3.0
Sep 26	165,570	141,324	4,370	4,459	-2.0
Oct 3	158,804	154,077	4,529	4,557	-0.6
Oct 10	136,566	152,164	4,666	4,666	0.0
Oct 17	150,078	152,755	4,816	4,762	1.1
Oct 24	166,295	152,936	4,982	4,905	1.6

*Note on data: Export figures since March 22, 2002, do not include fragrant rice. The authority to report fragrant rice exports was moved from the Thai Board of Trade to the Ministry of Commerce's Office of Commodity Standards, which does not release official fragrant rice export data. FAS/BKK will report only official export numbers from the Board of Trade for non-fragrant and from the Office of Commodity Standards for fragrant rice when available, but the reader should bear in mind the difference between the data.*

Source: Board of Trade of Thailand

<b>Table 4: Weekly private registered rice export sales</b>			
<b>Movement (MT)</b>	<b>Oct 4-8</b>	<b>Oct 11-15 (Revised)</b>	<b>Oct 18-22 (Preliminary)</b>
<b>Weekly sales</b>	<b>142,940</b>	<b>214,341</b>	<b>127,926</b>
<b>4 week sum</b>	<b>669,893</b>	<b>709,525</b>	<b>641,443</b>
<b>4 week mov. avg.</b>	<b>167,473</b>	<b>177,381</b>	<b>160,361</b>
<b>Year-to-date sales</b>	<b>5,341,775</b>	<b>5,556,116</b>	<b>5,684,042</b>

End of report.